



ROLE OF INTERNET MARKETING IN PROMOTING SALES: AN ANALYSIS

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ABSTRACT

Marketing in olden times meant only traditional marketing which involved the use of radio, television, newspapers, magazines, pamphlets etc. With the rapid growth in technology, the focus shifted from the traditional form to digital form. The newest medium of communication known as the internet was developed in 1969 in the US to facilitate a joint project between the US military and several research organizations. In 1971, network e-mail was invented, even though initially it was very slow but gradually gained momentum and was established for international connections in 1973. The official term 'Internet' was for the first time used in 1974 and the first online protocols were established in the 1980s. Early 1990s witnessed a tremendous growth in internet and Tim Berners-Lee who is known as the creator of the internet released the URL protocol, web browser, software and world wide web to the public. The firms took this invention to their advantage and used it to promote and facilitate their businesses across the globe. So traditional marketing became slowly a thing of the past and was replaced by digital marketing/E-marketing/ Internet marketing.

The objective of the study is to understand the concept of Internet Marketing and how it helps in boosting sales of a business firm.

KEYWORDS: Internet Marketing, Web Browser, E- Marketing, Digital Marketing

INTERNET MARKETING: AN INTRODUCTION

The official term 'Internet' was for the first time used in 1974 and the first online protocols were established in the 1980s. Early 1990s witnessed a tremendous growth in internet and Tim Berners-Lee who is known as the creator of the internet released the URL protocol, web browser, software and world wide web to the public. The firms took this invention to their advantage and used it to promote and facilitate their businesses across the globe. So traditional marketing became slowly a thing of the past and was replaced by digital marketing/E-marketing/ Internet marketing.

Marketers realized that internet offered exclusive benefits which the other marketing mediums could not offer. For example, they could reach out their customers located in any other part of the world in no time. They had an option to personalize content and could also focus on building far reaching relationships with their customers. Slowly but gradually, Internet became the backbone of most business firms without which the firms found it difficult to carry on business practices. The firms could communicate efficiently and effectively with their counterparts and consumers located far apart by just a click of a button. Also, there was a huge saving in the cost so the small firms found this mode of communication very cost-effective. From consumer's point of view, the use of internet proved to be a blessing in disguise as they could communicate 24*7 with the firms, engage in a dialogue and obtain required information for purchasing the product. There were various forums from where they could get a feedback about the product and decide accordingly. Also, if they had some queries about the product, the firms were readily approachable on the net to get their answers in no time.

In a nutshell, it can be said that internet has helped the firms in facilitating their business profitably and efficiently. Small, medium and big firms all use internet marketing to promote their brand image and product vis-à-vis their rivals throughout the globe.

OBJECTIVES OF THE STUDY

- To understand the concept of internet marketing
- To learn about various types of internet marketing
- To study the Paid-Owned-Earned-Media framework
- To comprehend different online marketing domains

Concept of Internet Marketing

According to the Institute of Direct Marketing, Internet marketing has been defined as "The use of Internet and related digital information and communication technologies to achieve marketing objectives". Dave Chaffey and Kevin Johnson defined internet marketing as, "Achieving marketing objectives through applying digital technologies".

As per Alex Trengrove Jones and Justin Benezzer, "Internet marketing- often called online marketing or e-marketing- is essentially any marketing activity that is conducted online through the use of Internet technologies".

As the modernization took place, traditional marketing was supplemented by internet marketing by a number of firms. Internet marketing refers to the promotion, advertisement and sale of brand management through websites and e-mails. Therefore, the focus of internet marketing is on enhancement of the sale of goods by publicizing them via the internet.

Objectives of internet marketing:

1. Profit maximization: One of the important objectives of any business organization is to maximize profits and to ensure that internet marketing aids in enhancing the profits of their firm.
2. Increased sales: Another important goal of the business firm is to enhance the sale of its products through maximum publicity online.
3. Brand recognition: The effort of the marketers is on ensuring that due recognition is made available to their brand online so that more and more customers become aware of its presence.
4. Customer service: To popularize their brand, the marketers ensure that the customers are able to reach out to the sellers without much cost and in very little time. Internet marketing will help the potential and current customers in lodging their complaints instantly.
5. Managing public relations: The reputation of any firm plays a significant role in building its goodwill in the market. The firms have to be very cautious as through internet marketing opinions and feedback of customers are shared instantly with the prospective consumers. Any negative comment or adverse feedback will give bad publicity to the brand and result in lowering the prospective sales in future. Therefore, the focus of the marketers should be on building public relations so that their brand earns a good image and enjoys a healthy publicity in times to come.
6. Increased Traffic: The website of the firm should be customer friendly and designed in such a manner that when potential customers visit it, it should appear right on the top. The psyche of the website visitors is to click the first link that appears on the search engine and do an in-depth research on it. The aim of the firm should be to convert visitors into potential customers to ensure increased sales vis-à-vis increased revenues.

Role of Internet Marketing in promoting sales

The internet marketing also known as e-marketing/ web marketing/digital marketing has played a significant role in enhancing a number of important relationships such as Business to Business (B2B) and Business to Customer (B2C) over a period of time. As we all know, people across the globe especially the younger generation prefers to use smartphones, tablets, laptops and iPads for getting information instantly through search engines. Brand development and outreach has been made possible through e-marketing and businesses have become more popular and profitable with the help of internet.

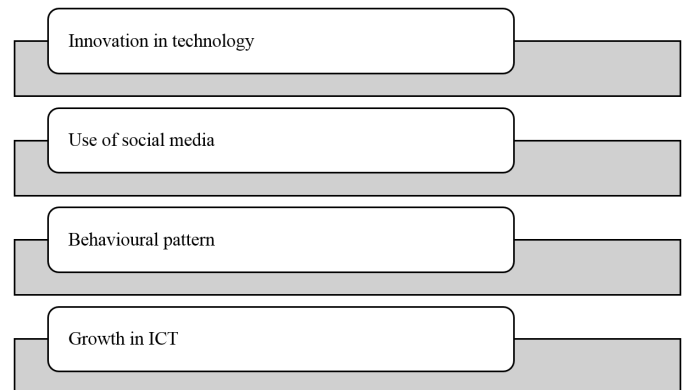
A major advantage of internet marketing is in terms of the savings in costs which incur during traditional marketing. Traditional marketing comprises of the use of fliers, billboards, pamphlets, advertisements on TV, newspapers and magazines which involve heavy expenditure and thus prove costly to the firm. In digital marketing, the business firms save a huge amount of money on advertisements as it involves no or very little cost. At the same time, the brand can be reached to a large target audience across the world in no time. So, the firms just cannot ignore internet marketing, rather have to give due recognition and importance to it to popularize their products thus inviting

the attention of a vast number of potential consumers.

The role of internet marketing also includes the use of effective marketing strategies by the firms. With the help of internet marketing, the results can be easily tracked, measured and tested for any changes to be made in future in case they are found to be unsatisfactory followed by a review.

Reasons for Growth of Internet Marketing

The various reasons for growth of internet marketing are as follows:



TYPES OF INTERNET MARKETING

Internet marketing can be broadly classified into the following types:

1. Search Engine Optimization: The business firm's ultimate objective is to maximize profits by promoting its brand online as much as possible. The marketers must ensure that when a customer searches for a product, their company's page is the first one to appear. This can be done through keywords, titles, menus and images.
2. Social Media Marketing: Social media plays a very crucial role in accessing information not just about a product but also people and places. Various social media platforms such as Facebook, Twitter, Instagram, LinkedIn, Google plus provide a golden opportunity to the firms to publicize their products for the benefit of consumers.
3. E-mail marketing: E-mail marketing is a significant internet marketing tool available to the marketers to reach out to their customers directly. Through e-mails, customized information about the company, product, prices, quality etc. is provided by the firm to its select target audience. The companies keep sending reminder mails to their customers to update them about the product and any future happening related to it.
4. Affiliate Marketing: Affiliate marketing refers to the hiring of a third party by the business firms to generate potential consumers to buy their products online. The affiliate party is paid a commission based on the marketing efforts and as per the mutual agreement. The affiliate party creates its own advertisements for the promotion of sales of goods. Example Blogs.
5. Display Advertising: To boost sales and increase product awareness, advertisement banners are displayed on other websites or blogs to divert traffic towards their own brands. This is called display advertising.

6. **Search Engine Marketing:** Search engine marketing involves the use of paid advertisements, paid inclusions and contextual advertising by the business firms to increase visibility on their search engine result pages (SERP).
7. **Inbound Marketing:** In this approach, the marketer shares valuable information to its target audience free of cost. In order to ensure that the potential consumers are converted into repeat buyers, business blogs are created for this purpose.
8. **Video Marketing:** The business firms prepare small videos to launch and popularize their products and use this form to capture the target market effectively and efficiently. The videos provide valuable information about the product that they are interested in purchasing and help them in taking an appropriate decision.
9. **Content Marketing:** According to the Content Marketing Institute, content marketing is “a strategic marketing approach focused on creating and distributing valuable, relevant and consistent content to attract and retain a clearly defined audience and ultimately, to drive profitable customer action.” In a nutshell, valuable content is provided by the marketer to the consumers which may not necessarily result in the sale of the good. However, the objective is to transmit effective information in order to gain the loyalty of the consumer.

THE P-O-E-M FRAMEWORK

Marketers desire to be successful, popular and profitable to remain competitive in the market. To attain these objectives, different forms of media are available which are used by the firms from time to time. These include paid, owned and earned which require different levels of effort, time and money along with different levels of reach and scalability

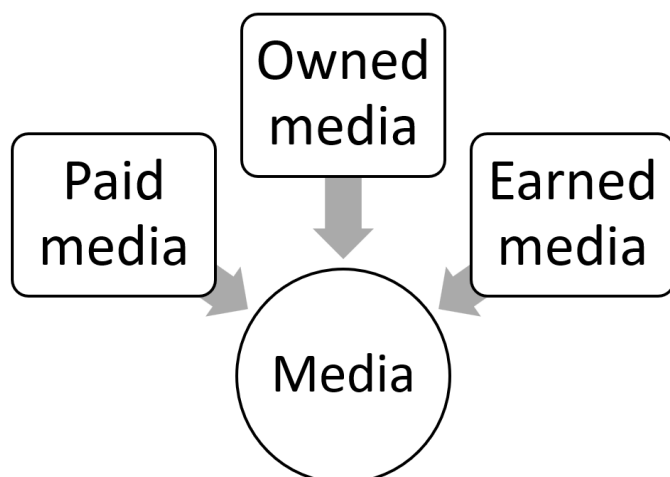


Figure 5.3 The P-O-E-M framework

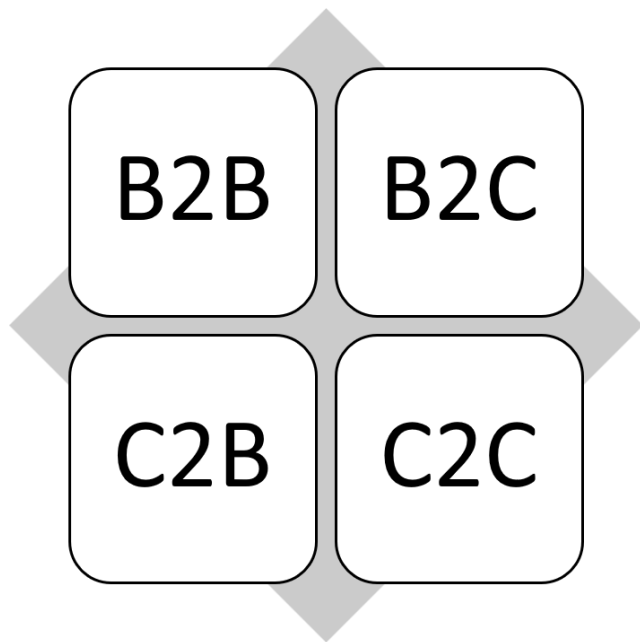
1. **Paid Media:** It is very crucial for a marketer to promote its brand online so that more and more consumers become aware of the product and its utility and eventually end up buying it. The success of the firm depends upon not just in generating the sales revenue but on popularizing the product amongst a wide range of customers who eventually become loyal to the brand. This is accomplished through paid media which involves the use of sponsored

ads on different social media platforms such as Facebook, Twitter, LinkedIn, Instagram etc. Another effective way of promoting the brand is through Pay Per Click which helps to initiate communication between the buyer and the seller resulting in enhanced sales. Other forms of paid media include display ads, paid content promotion, paid influencers, retargeting and sponsored initiatives. For example, Netflix, Sunsilk and other brands promote their services and products through sponsored ads.

2. **Owned Media** is yet another important mode of enhancing the sales of the firm. In a way the company has the ownership of the media, it has an official website, mobile site, blog and social media page which contains all the vital details such as videos, images and posts etc. related to the product for the benefit of the consumers. It involves website development, website conversion, creation of customer newsletter, preparation of e-mail and customer advocacy programs and selling programs. The content prepared by the business firm must cater to the needs and aspirations of the target market. Instagram and Twitter handles of companies like Mercedes Benz, Nike, H&M etc. are good examples of owned media.
3. **Earned Media:** The customers before purchasing a product would like to know the feedback from other customers and ensure that the good they are purchasing is worth buying or not. Internet marketing provides a platform where likes, dislikes, opinions and feedbacks are shared by the consumers which help the prospective buyer to finalize the purchase. This unpaid form of media occurs when users like the product and share their feedback online with other customers. Forms of earned media include shares, comments, reviews, reposts, recommendations and viral tendencies. Top ranking accompanied with good content prove to be very crucial for the success of this form of media. The company's reputation is dependent upon both owned and paid media. The Lay's campaign: 'lays smile deke dekho' has created a buzz wherein the packaging includes six different smiles expressing different emotions and feelings of individuals.
4. In the end, it can be said that the success of a social media marketer depends upon paid, owned and earned media. There should be a judicious mix of paid, owned and earned media to ensure the success of any business firm as together they complete the content marketing process.

ONLINE MARKETING DOMAIN

Commercial activities involving sale and purchase of goods and services between business firms and consumers take place online 24*7. Apart from B2C (Business to Consumers), commercial activities also take place between business to Business (B2B), Consumers to Consumers (C2C) and Consumers to Business (C2B). Following are the 4 forms of online marketing domain:



Online marketing domain

1. Business to Business (B2B): Under B2B approach, business firms target the smaller firms to enhance the sale of their goods and services online. This is accomplished by using e-catalogues, B2B websites, e-mail and other e-resources etc. Through B2B approach, the companies are able to establish long term effective commercial inter-relationships among themselves. The intermediate company purchases goods from the business firm and eventually sells to the final consumers. B2B model works on an important objective of increasing the efficiency of the business along with increased revenue through the sale of goods. The digital platform which is provided in internet marketing offers a wider and quicker scope of enhancing the sales vis-à-vis the traditional approach of sale and purchase of goods and services. Looking at the current complex market conditions, the companies must ensure a careful planning of the whole system in order to be successful, profitable and remain sustainable in the business for a long time. Exchange of goods and services is taking place under B2B from a firm to the final consumer via the intermediate company and hence the term business to business. A prominent example of B2B is the Alibaba B2B marketplace.
2. Business to Consumer (B2C): As against the traditional approach where the business firms had to spend lot of time and money in enhancing the sale of their products, internet marketing provides a more meaningful approach to connect with the customers instantly. The online marketing approach has resulted in increased sales revenues and goodwill for the firm, offering at the same time a wide variety of goods and services at affordable prices to the consumers. Under this approach, there is a direct and instant connection of the business firms with the final consumer. Unlike B2B, where an intermediate company is needed to buy the goods first, the consumer under this model first visits the page, then selects the good and finally places an order for the same. This approach is cheaper as no middlemen are involved for

the sale and purchase of goods. Examples for B2C include Amazon, Flipkart and Myntra.

3. Consumer to Business (C2B): C2B approach is consumer driven. The consumers search for businesses to buy goods and services from them, initiating a transaction and also bargaining for a better deal. C2CB approach is just the opposite of B2C and B2B models where the business firms look for potential consumers to buy their goods and services online. In this model, the consumers look for prospective marketers who are willing to sell the product they desire at prices quoted by them. This approach is certainly not as popular as the above-mentioned approaches. Surveyscout is one such example for C2B model.
4. Consumer to Consumer (C2C): True to its name, the exchange of goods, in C2C approach takes place between final consumers. Information is created and exchanged between the final consumers through online blogs. In C2C approach, there is a direct sale and purchase between consumers. The consumer who is willing to sell his asset like car, scooter, TV, refrigerator etc. advertises on the portal and another consumer who is willing to purchase that product at the price quoted approaches the consumer and directly enters into a transaction.

CONCLUSION

Internet Marketing has gained momentum and recognition in the recent past world over. It has been observed that significance of Internet Marketing can be attributed to Innovation in technology, use of social media, behavioural pattern and growth in ICT. Internet marketing leads to low cost, global outreach, 24*7 access, variety of goods and services and greater transparency.

E-mail marketing has proven to be a significant Internet marketing tool for marketers to reach out to customers directly. Social media has played a crucial role in accessing information not just about a product but also people and places. Forms of paid media including display sponsored ads, pay per click, paid content promotion, retargeting and sponsored initiatives have also played a very significant role in boosting sales. It can be concluded that in times to come Internet Marketing will be very successful in popularizing products and enhancing sales.